

III. Means of Encouraging and Assisting Geographically Disadvantaged Farmers and Ranchers to Own and Operate Farms and Ranches and to Participate in a Full Range of Programs Offered by the Department of Agriculture

The Department of Agriculture operates numerous programs to encourage and assist producers to become effective farmers and ranchers. The Natural Resource Conservation Service and the Farm Service Agency each operate conservation programs to aide producers in maintaining the productivity of their land. The Rural Business-Cooperative Service provides financial and technical assistance for value-added market development and rural business and cooperative development. However, these programs are of little benefit to producers without access to the capital necessary to own and operate farming and ranching operations or access to information about the variety of programs available. Therefore, this section of the report will highlight two Departmental programs assisting producers in the non-contiguous U.S. States and Territories.

- A. Farm loan programs, and
- B. Outreach and assistance programs.

In fiscal year 2003, the Farm Service Agency provided financial assistance in the form of direct and guaranteed loans to nearly 31,000 farmers and ranchers. However, only about 100 of those loans were made outside the 48 contiguous U.S. States. In some instances, the lack of loan activity may be due to the non-availability of commercial lenders to make and service guaranteed loans to farmers and ranchers in the non-contiguous U.S. States and Territories. For example, in 2003, no guaranteed farm loans were made in Alaska, the Virgin Islands, or the Western Pacific Territories. However, outreach activities are underway with financial institutions in many of these areas to coordinate the development of guaranteed loan programs. In other cases, it may be due to a lack of knowledge that the programs are available to producers in these areas. Again, outreach through colleges and universities and farm organizations help to educate producers about the availability of USDA loan and other programs.

Part A of this section provides background information on the farm loan programs, the types of loans available, and targeted assistance to beginning farmers and ranchers and socially disadvantaged farmers and ranchers. In Part B, some of the outreach activities sponsored during FY 2003 by the Department in the non-contiguous U.S. States and Territories are highlighted.

A. Farm Service Agency – Farm Loan Programs

Direct Loans

Direct loans are made and serviced by FSA, which also provides borrowers with supervision and credit counseling. Farm Ownership, Operating and Emergency loans are the main types of loans available under the Direct program. FSA also finances youth projects under the Direct program and sets aside a percentage of funds for loans to minority applicants and beginning farmers.

Farm Ownership Loans

With a Direct Farm Ownership Loan, you can purchase farmland, construct or repair buildings and other fixtures, and promote soil and water conservation. The maximum amount for Direct Farm Ownership Loans is \$200,000. Loan applicants may choose to participate in a joint

financing plan. In this program, FSA lends up to 50 percent of the amount financed, and another lender provides the balance. FSA may charge an interest rate of not less than 4 percent.

Operating Loans

Operating Loans may be used to purchase items needed for a successful farm operation, such as livestock, farm equipment, feed, seed, fuel, farm chemicals, insurance, and other operating expenses. Also, Operating Loans can be used to pay for minor improvements to buildings, costs associated with land and water development, family subsistence, and to refinance debts under certain conditions.

Loan funds cannot be used to finance nonfarm enterprises, which include raising earthworms, exotic birds, tropical fish, dogs, or horses for non-farm purposes (racing, pleasure or show). The limit on Direct Farm Operating Loans is \$200,000.

Beginning Farmer and Rancher Loans

FSA targets a portion of Direct loan funds to beginning farmers and ranchers who are unable to obtain financing from commercial credit sources. In addition to meeting all Farm Ownership Loan eligibility requirements, a beginning farmer or rancher must be an individual or business entity who:

- has participated in the business operations of a farm or ranch for at least 3 years, but not more than 10 years.
- does not own a farm greater than 30 percent of the average size farm in the county.

If the applicant is a business entity (e.g., a corporation, partnership, etc.), all members must be related by blood or marriage, and all stockholders in a corporation must be eligible beginning farmers or ranchers.

Operating Loans

In addition to meeting all operating loan eligibility requirements, a beginning farmer or rancher must be an individual or business entity who has operated a farm or ranch for 10 years or less. If the applicant is a business entity, all members must be related by blood or marriage, and all stockholders in a corporation must be eligible beginning farmers.

Downpayment Farm Ownership Loans for Beginning Farmers

FSA has a special Downpayment Farm Ownership Loan Program to help beginning farmers and ranchers purchase a farm or ranch. This program also provides a way for retiring farmers to transfer their land to a future generation of farmers and ranchers.

Here is how the program works:

- An applicant must make a cash downpayment of at least 10 percent of the farm or ranch's purchase price.
- FSA may finance up to 40 percent of the purchase price or appraised value, whichever is less. The loan term is 15 years at a fixed interest rate of 4 percent.

- The remaining balance may be obtained from a commercial lender or a private party. FSA can provide up to a 95 percent guarantee if financing is obtained from an eligible commercial lender.
- The purchase price or appraised value, whichever is lower, may not exceed \$250,000.

Sale of Inventory Farmland to Beginning Farmers or Ranchers

FSA advertises acquired farm property within 15 days of acquisition. Eligible beginning farmers and ranchers are given first priority to purchase these properties at the appraised market value for the first 75 days after acquisition. If more than one eligible beginning farmer or rancher offers to purchase the property, the buyer is selected randomly.

Loans to Socially Disadvantaged Farmers/Ranchers

FSA reserves Direct loan funds each year to help socially disadvantaged applicants buy and operate family-size farms and ranches.

A socially disadvantaged (SDA) applicant is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. These groups include women, African Americans, American Indians, Alaskan Natives, Hispanics, Asians, and Pacific Islanders.

FSA Loan Program Eligibility

A direct loan applicant must:

- have sufficient education, training, or experience in managing and operating a farm or ranch that demonstrates the managerial ability needed to succeed in farming.
- be a citizen of the United States (or legal resident alien), which includes Puerto Rico, the Virgin Islands, Guam, American Samoa, and certain former Pacific Trust Territories.
- have the legal capacity to incur the obligations of the loan.
- be unable to obtain credit elsewhere.
- have an acceptable credit history.
- be the operator or tenant operator of a family farm after the loan is closed. For a Farm Ownership Loan, the producer must also own the farm. For an Operating or Emergency Loan, the producer need only be the operator.
- not have had a previous loan which resulted in a loss to the Agency (with certain exceptions).
- not be delinquent on any Federal debt.

Corporations, cooperatives, joint operations, and partnerships and their members/stockholders must meet these same eligibility requirements, and the entity must also be authorized to operate a farm or ranch in the State where the land is located.

If a loan applicant qualifies, what next?

The following actions are usually taken as part of the application process:

1. Loan applicant contacts the FSA office and receives an application package.
2. Loan applicant completes the loan application, with FSA assistance if needed.
3. FSA and the loan applicant meet to review and discuss the application.

4. FSA determines if the applicant is eligible and reviews the application for repayment ability, security, and compliance with other regulations.
5. FSA approves and obligates the loan.
6. Loan is closed, and the loan applicant receives the funds.

Other Criteria

What are the loan terms and interest rates?

Repayment terms and interest rates vary according to the type of loan made, the collateral securing the loan, and the applicant's ability to repay. Operating Loans are normally repaid within 7 years, and Farm Ownership Loan terms cannot exceed 40 years. The interest rates for Direct Loans are adjusted periodically based on the Federal Government's cost of borrowing.

A lower interest rate is available for producers with limited resources. Loans to limited resource producers are reviewed periodically to adjust the interest rate based on repayment ability.

Loans must be adequately secured. Collateral for Operating Loans consists of a first lien on crops to be produced and on livestock and equipment purchased or refinanced with loan funds. A lien may be taken on certain other chattel and real estate property, and an assignment usually will be taken on income such as that from a dairy enterprise. Collateral for Farm Ownership Loans consists of real estate only or a combination of real estate and chattels. FSA requires security of 150 percent of the loan amount, if available. At a minimum, the security must equal the loan amount.

Guaranteed Loans

FSA guaranteed loans provide agricultural lenders (banks, Farm Credit System institutions, credit unions) with a guarantee of up to 95 percent of the principal loan amount. Farmers interested in a Guaranteed Loan should contact a local agricultural lender, which can then apply to FSA for the guarantee.

FSA will guarantee loans for both Farm Ownership and Operating purposes. Like the Direct Loan Program, a percentage of Guaranteed Loan funds is targeted to beginning farmers and ranchers and minority applicants.

Loan Purposes

Farm Ownership Loans

Guaranteed Farm Ownership (FO) Loans may be made to purchase farmland, construct or repair buildings and other fixtures, develop farmland to promote soil and water conservation, or to refinance debt.

Operating Loans

Guaranteed Operating Loans (OL) may be used to purchase items needed for a successful farm operation. These items include livestock, farm equipment, feed, seed, fuel, farm chemicals, repairs, insurance, and other operating expenses. Also, Operating Loans can be used to pay for minor improvements to buildings, costs associated with land and water development, family living expenses, and to refinance debts under certain conditions.

Maximum Loan Size

FSA can guarantee OLs or FO loans up to \$782,000 (amount adjusted annually based on inflation).

Borrower Eligibility

To qualify for an FSA Guarantee, a loan applicant must:

- be a citizen of the United States (or legal resident alien), which includes Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and certain former Pacific Trust Territories.
- have the legal capacity to incur the obligations of the loan.
- be unable to obtain credit without a guarantee.
- have an acceptable credit history as determined by the lender.
- not have caused FSA a loss by receiving debt forgiveness on more than 3 occasions.
- be the owner or tenant operator of a family farm after the loan is closed. For an OL, the producer must be the operator of a family farm after the loan is closed. For an FO Loan, the producer needs to also own the farm.
- not be delinquent on any Federal debt.

Entities (corporations, cooperatives, joint operations, partnerships, trusts, and limited liability companies) and their members/stockholders must meet these same eligibility requirements. The entity must also be authorized to operate a farm or ranch in the State where the land is located.

If the Producer Qualifies, What Next?

The following actions are usually taken as part of the application process:

1. The producer and lender complete the guaranteed application and submit it to FSA (FSA will assist if needed.)
2. FSA reviews the application for eligibility, repayment ability, security, and compliance with other regulations.
3. FSA approves and obligates the loan.
4. The lender receives a conditional commitment indicating funds have been set aside, and the loan may be closed.
5. The lender closes the loan and advances funds to the producer.
6. FSA issues the guarantee.

Loan Terms and Interest Rates

Repayment terms vary according to the type of loan made, the collateral securing the loan, and the producer's ability to repay. OLs are normally repaid within 7 years and FO loans cannot exceed 40 years.

The Guaranteed loan interest rate and payment terms are negotiated between the lender and the borrower. Interest rates on these loans may not exceed the rate charged the lender's average farm customer. In addition, under the Interest Assistance Program, FSA will subsidize 4 percent of the interest rate on loans to qualifying borrowers.

Security

Each loan must be adequately secured. Collateral for OLs consists of a first lien on crops to be produced and on livestock and equipment purchased or refinanced with loan funds. A lien may be taken on certain other chattel and real estate property, and an assignment usually will be taken on income such as that from a dairy enterprise. Collateral for FO loans consists of real estate only or a combination of real estate and chattels. FSA staff determines whether the collateral proposed by the lender is adequate.

Where to Go for More Information

Further information and applications for FSA loan programs are available at the Agency's local county offices. These are usually listed in telephone directories in the section set aside for governmental/public organizations under the U.S. Department of Agriculture, Farm Service Agency.

B. Outreach

Several agencies of the USDA sponsor outreach activities to inform farmers and ranchers, local business leaders, universities, and farmer interest groups of the programs offered by the Department of Agriculture. In most cases, information on accessing the outreach programs can be obtained from the State and local contacts listed in Part III of this report or through the USDA Office of Civil Rights, Office of Outreach at 202-720-6350. Background information on selected Outreach programs offered by USDA is included in Appendix A.

Examples of recent outreach activity:

Outreach efforts are ongoing in Hawaii and the Pacific Rim during FY 2003. A joint meeting with FSA, NRCS and Rural Development in raising awareness of USDA program availability to farmers and community members in Rota, Commonwealth of the Northern Mariana Islands (CNMI), in April 2003. FSA also had several meetings with the government of the Marshall Islands and the U.S. Embassy regarding FSA loan program implementation in the Marshall Islands. They are in the beginning process of working through the mechanics of farm loan program delivery. Other efforts include meeting with the Development Bank of American Samoa in drafting a Memorandum of Agreement to implement FSA loan programs in American Samoa. On August 16-17, 2003, FSA sponsored a Financial Resources Symposium in Guam for approximately 150 attendees. Focus of the symposium was to provide information on business opportunities and financing available for agricultural and non-agricultural businesses in the Pacific Basin Region. In April, in Maui County, Hawaii, four separate meetings were held with bank officials, farmers, students, and representatives from Small Business Development Centers to discuss loan guarantees, FSA programs, and opportunities for future cooperation and partnerships. On July 25, the FSA farm loan program made a presentation to 50 members of the Hamakua Farm Bureau regarding the availability of FSA assistance to minority and non-minority farmers.

Appendix A: Selected Outreach Programs Offered by USDA



December 2002

Loans for Beginning Farmers and Ranchers

Overview

The Farm Service Agency (FSA) provides direct and guaranteed loans to beginning farmers and ranchers who are unable to obtain financing from commercial credit sources. Each fiscal year, the Agency targets a portion of its direct and guaranteed farm ownership (FO) and operating loan (OL) funds to beginning farmers and ranchers.

A beginning farmer or rancher is an individual or entity who (1) has not operated a farm or ranch for more than 10 years; (2) meets the loan eligibility requirements of the program to which he/she is applying; (3) substantially participates in the operation; and, (4) for FO loan purposes, does not own a farm greater than 30 percent of the average size farm in the county. (Note: all applicants for direct FO loans must have participated in business operation of a farm for at least 3 years.) If the applicant is an entity, all members must be related by blood or marriage, and all stockholders in a corporation must be eligible beginning farmers.

Maximum Loan Amounts

Maximum amounts of indebtedness are:

- Direct FO or OL: \$200,000;
- Guaranteed FO or OL: \$762,000 (Amount varies annually based on inflation.).

Down Payment Farm Ownership Loan Program

FSA has a special down payment FO loan program to assist beginning farmers and ranchers to purchase a farm or ranch. This program also provides a means for retiring farmers and ranchers to transfer their land to a future generation.

To qualify:

Appendix A (continued): Selected Outreach Programs Offered by USDA

- An applicant must make a cash down payment of at least 10 percent of the purchase price.
- FSA may provide a maximum amount equal to 40 percent of the purchase price or appraised value, whichever is less. The term of the loan is 15 years at a fixed interest rate of 4 percent.
- The remaining balance may be obtained from a commercial lender or private party. FSA can provide up to a 95 percent guarantee if financing is obtained from a commercial lender. Participating lenders do not have to pay a guarantee fee.
- The purchase price or appraised value, whichever is lower, may not exceed \$250,000.

Sale of Inventory Farmland

FSA advertises acquired farm property within 15 days of acquisition. Eligible beginning farmers and ranchers are given first priority to purchase these properties at the appraised market value for the first 135 days after acquisition. If more than one eligible beginning farmer or rancher offers to purchase the property, the buyer is chosen randomly.

Joint Financing Plan

Beginning farmer or rancher applicants may choose to participate in a joint financing plan that is also available to other applicants. In this program, FSA lends up to 50 percent of the amount financed, and another lender provides 50 percent or more. FSA will charge a reduced interest rate on the loan.

Where to Apply

Applications for direct loan assistance may be submitted to the FSA local office serving the area where the operation is located. Local FSA offices are listed in the telephone directory under U.S. Government, Department of Agriculture, Farm Service Agency. For guaranteed loans, applicants must apply to a commercial lender who participates in the Guaranteed Loan Program. Local FSA offices have lists of participating lenders.

For More Information

Further information about this and other FSA programs is available from local USDA Service Centers or on the FSA website at: <http://www.fsa.usda.gov/>.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (braille, large print, audiotape, etc.) should contact USDA's TARGET Center at 202-720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building, 1400 Independence Avenue, SW, Washington, D.C., 20250-9410, or call (202) 720-5964 (voice or TDD).

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Appendix A (continued): Selected Outreach Programs Offered by USDA



August 2002

Loans for Socially Disadvantaged Persons

Overview

The Farm Service Agency (FSA) can make and guarantee loans to socially disadvantaged applicants to buy and operate family-size farms and ranches. Funds specifically for these loans are reserved each year. Non-reserved funds can also be utilized.

A socially disadvantaged farmer or rancher is one of a group whose members have been subjected to racial, ethnic, or gender prejudice because of their identity as members of the group without regard to their individual qualities. For purposes of this program, socially disadvantaged groups are women, African Americans, American Indians, Alaskan Natives, Hispanics, and Asian Americans and Pacific Islanders.

This program:

- Targets direct and guaranteed loan assistance to socially disadvantaged persons;
- Discovers and removes barriers that prevent full participation of those persons in FSA's farm loan programs; and
- Provides information and assistance to applicants to help them develop sound farm management practices, analyzes problems, and plans the best use of available resources essential for success in farming or ranching.

Types of Loans

Direct loans are made to applicants by FSA and include both farm operating and farm ownership loans.

Guaranteed farm loans also may be made for ownership or operating purposes, and may be made by any lending institution subject to Federal or State supervision (banks, savings and loans, and units of the Farm Credit System) and guaranteed by FSA. Some State governments also operate farm loan programs that are eligible for FSA guarantees. Typically, FSA guarantees 90 or 95 percent of a loan against any loss that might be incurred if the loan fails.

Appendix A (continued): Selected Outreach Programs Offered by USDA

Use of Loan Funds

Farm Ownership Loans (FO) may be used to purchase or enlarge a farm or ranch, purchase easements or rights of way needed in the farm's operation, erect or improve buildings, promote soil and water conservation and development, and pay closing costs. Reserved direct farm ownership loan funds can only be used to purchase a farm or ranch. Guaranteed farm ownership funds may also be used to refinance debt.

Farm Operating Loans (OL) may be used to purchase livestock, poultry, farm equipment, feed, seed, fuel, fertilizer, chemicals, hail and other crop insurance, food, clothing, medical care, and hired labor. Funds also may be used to refinance debt and to install or improve water systems for home use, livestock or irrigation, and other improvements.

Who May Borrow

Individuals and entities primarily and directly engaged in farming and ranching on family-size operations may apply. A family-size farm is considered to be one that a family can operate and manage itself. In addition to being members of a socially disadvantaged group, individual applicants under this program must meet all requirements for FSA's regular farm loan program assistance, including:

- Have a satisfactory history of meeting credit obligations.
- Have sufficient education; training, or at least 1-year's experience in managing or operating a farm or ranch within the last 5 years for a direct operating loan, or, for a direct farm ownership loan, have participated in the business operation of a farm or ranch for 3 years;
- Be a citizen of the United States (or a legal resident alien), including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, and certain former Pacific Island Trust Territories;
- Be unable to obtain credit elsewhere at reasonable rates and terms to meet actual needs; and
- Possess legal capacity to incur loan obligations.

In the case of an entity, the members holding a majority interest must meet the same eligibility requirements. The entity must be authorized to operate a farm or ranch in the State where the actual operation is located. In addition, the entity must be owned by U.S. citizens or legal resident aliens, and the socially disadvantaged members must hold a majority interest in the entity.

If the individuals holding a majority interest in the entity are related by blood or marriage, at least one stockholder, member, or partner must operate the family farm or ranch. If they are not related by blood or marriage, those holding a majority interest must operate the farm or ranch.

Terms and Interest Rates

Repayment terms for direct operating loans depend on the collateral securing the loan and usually run from 1 to 7 years. Interest rates for direct loans are set periodically according to the Government's cost of borrowing. Repayment terms for direct farm ownership loans are up to 40 years.

Appendix A (continued): Selected Outreach Programs Offered by USDA

Interest rates for guaranteed loans are established by the lender, but may not exceed the rate the lender charges its average farm loan customer. Guaranteed loan terms are set by the lender.

Getting a Loan

Applications for all FSA direct loan programs are made through FSA's local offices. These are listed in telephone directories under "United States Government, Department of Agriculture."

Guaranteed loan applications are made with the lender. In cases where a lender is not known to an applicant, local office personnel will assist the applicant.

For more information

Further information is available from local USDA Service Centers or on the FSA website at:

<http://www.fsa.usda.gov/>.

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Appendix A (continued): Selected Outreach Programs Offered by USDA



January 2002 Outreach Program

Background

The U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA) administers farm commodity and conservation programs and makes loans to farmers and ranchers who are unable to obtain conventional credit.

The FSA Outreach Programs Staff coordinates and implements Agency-wide outreach activities to people, especially the underserved, who can benefit from the Agency's programs and services. The staff's goal is to increase the participation of underserved customers in its programs, with special emphasis on those who are socially disadvantaged, limited resource farmers, and members of racial minority groups.

To ensure maximum participation in FSA programs and services for underserved customers, the FSA Outreach Programs Staff works with its partners and customers to eliminate the following barriers:

- All forms of discrimination, including racial, ethnic, cultural, and gender prejudices;
- Language, communication, transportation, and FSA program requirements and signup procedures;
- Limited access to FSA programs in remote areas.

Underserved customers include:

- Farmers/ranchers and landowners/operators with limited resources, minority groups (including American Indians, Alaskan Natives, and Aleuts), women, and the physically challenged who may need, but have not fully benefited from, USDA assistance;
- Individuals and groups who have not participated in or have received limited benefits from FSA programs that may improve their quality of life and/or the environment;
- Rural and urban community members;
- Members of religious minorities;

Appendix A (continued): Selected Outreach Programs Offered by USDA

- Small specialty crop farmers, organic farmers, and other farmers with production practices that are different from most farmers in the area.

The FSA Outreach Programs Staff:

- Provides resources to assist underserved farmers and ranchers improve their income through better farm management and financial planning;
- Provides information on loans, farm commodities, and conservation programs to underserved farmers and ranchers who are unable to obtain conventional credit;
- Works with community-based organizations (including churches; social groups; 1862, 1890, and 1994 Land Grant Colleges and Universities; Hispanic Association of Colleges and Universities; and tribally-controlled colleges to provide technical assistance, training, and enhanced program delivery to underserved communities and other USDA agencies;
- Helps customers understand USDA programs and fill out program forms;
- Provides program and service information to all customers in a customer-friendly and timely manner.

For More Information

Further information about FSA's programs and outreach projects is available at local USDA Service Centers and FSA state and county offices. The telephone numbers are usually listed in the telephone directory under the United States Government, U.S. Department of Agriculture. You may also obtain outreach and program information by contacting:

USDA/FSA
Director, Outreach Programs Staff
Ag Stop 0511
Room 3718-S
Washington, D.C. 20250-0511

For more information about this or any other FSA program, visit FSA's web site at:

<http://www.fsa.usda.gov/>

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Appendix A (continued): Selected Outreach Programs Offered by USDA



Cooperative State Research, Education, and Extension Service Research, Education, and Economics

Funding Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers

The Cooperative State Research, Education, and Extension Service (CSREES) announces the availability of grant funds and requests applications for the Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers Competitive Grants Program (OASDFR). Applications must be received by close of business on January 31, 2003.

Appropriations for this program from fiscal years (FYs) 2002 and 2003 will be combined to support projects submitted in response to this Request for Applications (RFA). The amount available for FY 2002 is approximately \$3,243,000. The FY 2003 appropriations is not known at this time but is currently anticipated between 3 and 8 million dollars. There is no commitment by USDA to fund any particular proposal or to make a specific number of awards.

This program provides outreach and technical assistance to encourage and assist socially disadvantaged farmers and ranchers to own and operate farms and ranches and to participate in agricultural programs. The OASDFR will support a wide range of outreach and assistance activities in farm management, financial management, marketing, application and bidding procedures, and other areas.

Proposed projects might include one or more of the following: the use of existing, and the formation of new, outreach and assistance networks focused on increasing participation in various USDA and other programs by socially disadvantaged agricultural producers; further development or modification of farm and ranch management (including marketing) and financial management curricula and materials designed to enhance the potential for farm and ranch ownership by socially disadvantaged farmers and ranchers; the development of innovative delivery systems that improve the effectiveness of these programs; and the development or improvement in the means by which assistance is provided to the targeted audiences.

Proposals need to identify the socially disadvantaged group(s) that is being targeted for assistance. Applicants must provide information to document why a targeted group(s) is appropriate for assistance under this program. Applicants targeting a socially disadvantaged group not specified in the definition supplied in

Appendix A (continued): Selected Outreach Programs Offered by USDA

the RFA must provide in-depth documentation justifying why this group is socially disadvantaged. This document, entitled a Request for Determination, requests the Secretary to determine whether the targeted group qualifies under the Program. A determination by the Secretary or designated individual will be made and the applicant will be notified shortly thereafter. The deadline for submitting a Request for Determination is November 22, 2002.

Applications may be submitted by any community-based organization, network, or coalition of community-based organizations that 1) has demonstrated experience in providing agricultural education or other agriculturally related services to socially disadvantaged farmers and ranchers, 2) has provided to the Secretary documentary evidence of work with socially disadvantaged farmers and ranchers during the two-year period preceding the submission of an application for assistance under this program (documentary evidence shall include a narrative providing specific information regarding: the scope of past projects, including the number of socially disadvantaged farmers and ranchers served or in the area served by the organization; activities conducted; community involvement; and copies of prior agreements, press releases, news articles, and other contemporaneous documents supporting the narrative); and 3) does not engage in activities prohibited under Section 501(c)(3) of the Internal Revenue Code of 1986. In addition, applications will be accepted from: an 1890 institution or 1994 institution, including West Virginia State College; an Indian Tribal Community College or an Alaska Native Cooperative College; an Hispanic-serving institution; any other institution of higher education that has demonstrated experience in providing agriculture education or other agriculturally related services to socially disadvantaged farmers and ranchers in a region; an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b)) or a national tribal organization that has demonstrated experience in providing agriculture education or other agriculturally related services to socially disadvantaged farmers and ranchers in a region; and an organization or institution that received funding under this program before January 1, 1996, but only with respect to projects that the Secretary considers are similar to projects previously carried out by the organization or institution under this program. (See the RFA for details concerning eligibility criteria.)

For further information call:

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